



DEPARTMENT OF AGRICULTURE

Funding Highlights:

- The U.S. Department of Agriculture (USDA) provides leadership and direction on issues related to food, agriculture, and natural resources based on sound policy, the best available science, and effective management.
- The Budget for USDA focuses on core Departmental activities such as agricultural research, rural lending, and protecting the Nation's forested and private agricultural lands, while also supporting the President's efforts to give American farmers and ranchers the tools they need to be competitive at home and abroad.
- The Budget eliminates duplicative and wasteful programs within the Rural Business Service which gives funds to businesses that could qualify for private sector capital, saving \$91 million from the 2020 enacted level.
- The 2021 Budget requests \$21.8 billion in discretionary resources for USDA, a \$1.9 billion or 8-percent decrease from the 2020 enacted level. The Budget proposes \$240 billion in net mandatory savings over 10 years from USDA programs to reduce long-term deficits.

The President's 2021 Budget:

USDA's broad mission encompasses everything from domestic food assistance programs in rural America, to farm loans, and the National Forest System. Throughout rural America, USDA's programs provide financing for farm operations as well as improve rural utilities and infrastructure needed to keep America's commodities moving to market. The Department works to promote agricultural production while also safeguarding and protecting America's food supply by reducing the incidence of food-borne hazards through the inspection of meat, poultry, and egg products.

The Department's programs also improve nutrition and health through food assistance and nutrition education. Under this Administration, the Supplemental Nutrition Assistance Program (SNAP) has been streamlined to remove eligibility loopholes and improve program integrity, ensuring benefits are appropriately targeted to those most in need. USDA works to increase foreign market access for U.S. agricultural products and provides data and analysis of foreign market conditions. In addition, USDA manages and protects America's public and private lands by working cooperatively across the Government and the private sector to preserve and conserve the Nation's natural resources through restored forests, improved watersheds, and healthy private working lands.

Stands with America's Farmers. Farmers are experiencing high levels of financial stress due to challenging market and growing conditions. To help farmers survive the market shocks, the Administration has provided \$28 billion in trade mitigation assistance and \$5.7 billion in supplemental and ad hoc disaster assistance. This unprecedented level of support underscores the President's commitment to the Nation's farmers and ranchers. In total, roughly one-third of farm income will come from Government payments and crop insurance benefits this year. As a result, USDA is projecting that farm income will rise for the third year in a row, and if projections are realized, farm income would be above the historical average of the 2000 to 2018 period.

"[W]e will ensure that our farmers get the relief they need and very, very quickly. It's a good time to be a farmer; we're going to make sure of that."

President Donald J. Trump
May 23, 2019

In addition to funding the robust suite of farm safety net programs, the Budget funds a variety of national, State, and local initiatives to help farmers succeed. At the national level, the Budget funds training for field office staff to provide support to farmers participating in USDA programs. The Budget also provides nearly \$7 million to help farmers and ranchers resolve financial disputes related to USDA farm loans, conservation programs, and other issues. The Budget also proposes \$2 million in research funding for farm business man-

agement grants and \$8 million to support the Farmer Stress Assistance Extension Network.

Combats Opioid Crisis. According to the Centers for Disease Control and Prevention, the rates of drug overdose deaths are rising in rural communities, surpassing the rate in urban areas. Through the President's leadership and the role of the Secretary as Chairman of the Task Force on Agriculture and Rural Prosperity, the Department is approaching the opioid crisis with a dedicated urgency by partnering with local communities to provide program resources for prevention, treatment, and recovery. The Budget proposes \$44 million in distance learning and telemedicine grants, of which 20 percent would be dedicated to projects that combat the opioid crisis and keep rural communities safe.

Reforms Food Stamp Program to Promote Work. The Budget continues bold proposals to reform work requirements for able-bodied adults participating in SNAP to promote self-sufficiency. This proposal would streamline SNAP work requirements and apply them consistently to able-bodied adults ages 18 to 65, unless they qualify for specific exemptions. Under the proposal, adults would be required to work, participate in job training, or volunteer at least 20 hours a week in order to receive SNAP benefits. The Budget also combines the traditional SNAP Electronic Benefits Transfer benefits with "Harvest Boxes" of 100 percent American-grown foods provided directly to households, ensuring that Americans in need have access to a nutritious diet while significantly reducing the cost to taxpayers. States would maintain the ability to provide choice to their participants, including by using innovative approaches for the inclusion of fresh products. To bolster State program integrity initiatives, the Budget provides for the nationwide implementation of the National Accuracy Clearinghouse, an interstate data-matching system to prevent duplicate participation in SNAP. The Budget also includes proposals to reserve benefits for those most in need, promote efficiency in State operations, and strengthen program monitoring and oversight.

Prioritizes Health Outcomes for Pregnant Women, Infants, and Young Children. The Budget requests \$5.5 billion to serve all projected participants in the Special Supplemental Nutrition program for Women, Infants, and Children. This program provides nutritious supplemental food packages, nutrition education, and health and immunization referrals to low-income and nutritionally at-risk pregnant and postpartum women, infants, and children.

Invests in Rural America. In today's information-driven global economy, e-connectivity has become an essential component to attract and grow rural businesses. To that end, the Budget supports continued implementation of the Rural e-Connectivity Pilot Program to foster thriving agricultural economies. The Department also helps to maintain and modernize rural utilities by providing critical support for infrastructure, such as \$614 million in funding for water and wastewater grants and loans, supporting \$1.9 billion in program level, \$5.5 billion in electric loans, and \$690 million in telecommunications loans. Through USDA's \$24 billion portfolio of guaranteed housing loans, the Department assists lenders in providing low- to moderate-income rural Americans with access to affordable housing. The Budget authorizes a \$2.5 billion loan level for community facility direct loans and \$500 million for guaranteed loans, which assist communities in developing or improving essential public services and facilities across rural America, such as health clinics or fire and rescue stations.

At the same time, the Budget reduces wasteful spending within the Rural Business Service by eliminating ineffective programs and instead supporting a \$1.5 billion loan level for business and industry guaranteed loans, an increase of \$500 million over the 2020 enacted level and offset through increased lending fees.

Supports Comprehensive Farm Safety Net Reforms and Reduces Waste. Building on the agricultural reforms proposed in the 2020 Budget, the Administration continues proposals to modify and target crop insurance, conservation, and commodity programs in a way that maintains a strong safety net, saving \$36 billion over 10 years. The Budget also proposes to eliminate wasteful duplication and excessive subsidies between federally subsidized crop insurance and mandatory disaster assistance. This addresses recent congressional changes that removed safeguards and would ensure that taxpayer funded assistance is limited and that producers do not collect more than 100 percent for the same loss.

Safeguards Agricultural Research. USDA funded research helps to protect, secure, and improve America's food, agricultural, and natural resource systems. The Budget prioritizes competitive research through the Department's flagship grant program, the Agriculture and Food Research Initiative (AFRI). The Budget requests \$600 million for AFRI, an increase of \$175 million above the 2020 enacted level. Industries of the future are major Administration Research and Development priorities in 2021, such as artificial intelligence (AI) that has significant potential to contribute to U.S. scientific leadership and economic competitiveness in agriculture. That is why \$100 million in AFRI funding would be targeted toward basic and applied research in AI. The Budget maintains formula-based research and extension grants at the level requested in the 2020 Budget. The Budget supports the Administration's initiative to promote excellence and innovation at Historically Black Colleges and Universities by including \$10 million for scholarships for students studying agriculture at historically black land-grant institutions. The Budget proposes \$1.3 billion for the Agricultural Research Service, which conducts in-house basic and applied research. This includes funding for the National Bio- and Agro-Defense Facility, currently near completion in Manhattan, Kansas. This state of the art facility will provide the United States the ability to conduct comprehensive research, develop vaccines, and provide enhanced diagnostic capabilities to protect against emerging foreign animal and zoonotic diseases that threaten the Nation's food supply, agricultural economy, and public health.

Supports Active Forest Management to Reduce Wildfire Risk. The Administration remains committed to accelerating active forest management activities. The Budget reflects this critical priority by requesting \$510 million for hazardous fuel mitigation work and \$385 million for forest products. Hazardous fuel removal is pivotal in ensuring Federal forests and watersheds are sustainable, healthy, and productive, which would help make them safer and more resilient to the destructive impacts of wildfire. Consistent with the objectives and targets under the President's Executive Order 13855, "Promoting Active Management of America's Forests, Rangelands, and other Federal Lands to

Improve Conditions and Reduce Wildfire Risk,” the Forest Service will utilize the full range of available and appropriate forest management tools, including prescribed burns and mechanical thinning to strategically mitigate the fuel load on national forest land. These programs also generate jobs in rural forest communities.

In addition, the Budget fully funds base wildfire suppression operations pursuant to the Consolidated Appropriations Act, 2018, which would be bolstered by \$2.4 billion in additional suppression resources under the wildfire cap adjustment. This funding aims to eliminate the need for disruptive “fire borrowing” from forest management programs to fund firefighting shortfalls during times of emergency.

Updates Customer Service. The Budget supports the continued modernization of USDA’s information technology with investments made to improve customer service and streamline rural and farm program and service delivery. Through the <https://Farmers.gov> service portal, USDA is continuously working toward greater online service delivery with the goal of fewer in-person and paper-based transactions. The Budget continues to support farm production and conservation assistance by improving the efficiency, effectiveness, and accountability in service delivery between the Farm Service Agency, Natural Resources Conservation Service, and Risk Management Agency.